

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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## MEMORANDUM

TO: Blue Hills Regional School Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: December 29, 2016

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on August 1 of each fiscal year. The schedule is effective in FY17 (since the amount under the prior schedule was maintained in FY17) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.75% to 7.50% and the adoption of a fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



**Blue Hills Retirement System**  
**January 1, 2016 Actuarial Valuation**

Total Appropriation increases 5.6% until FY31 with final amortization payment in FY32

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Amort. of</u> <u>UAL</u>	<u>Amort. of</u> <u>2003 ERI</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>Total Cost</u> <u>Percent Incr.</u>
2017	188,997	258,878	22,598	470,473	4,082,732	
2018	197,502	275,702	23,615	496,819	4,088,162	5.6%
2019	206,390	293,574	24,678	524,641	4,074,935	5.6%
2020	215,677	312,556	25,788	554,021	4,040,483	5.6%
2021	225,383	332,715	26,949	585,046	3,981,978	5.6%
2022	235,525	354,123	28,161	617,809	3,896,303	5.6%
2023	246,124	376,854	29,429	652,406	3,780,031	5.6%
2024	257,199	400,989	30,753	688,941	3,629,395	5.6%
2025	268,773	426,612	32,137	727,522	3,440,256	5.6%
2026	280,868	453,812	33,583	768,263	3,208,073	5.6%
2027	293,507	482,685	35,094	811,286	2,927,866	5.6%
2028	306,715	513,330	36,673	856,718	2,594,177	5.6%
2029	320,517	584,177		904,694	2,201,028	5.6%
2030	334,940	620,417		955,357	1,741,875	5.6%
2031	350,013	658,844		1,008,857	1,209,562	5.6%
2032	365,763	599,854		965,617	596,262	-4.3%
2033	382,223			382,223	0	-60.4%

Appropriation payments assumed to be made August 1 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$75,000

FY17 amount maintained at level of current schedule.